TO: Christiana Barnhart

FROM: Kim Klupenger, COO
Kim Lamb, Executive Director/RHCPP Project Coordinator
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RE: **Notice of *Ex Parte* in WC Docket No. 02-60**
**Oregon Health Network**
**Conference call on Friday, February 24th at 1 pm (EST)**

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Oregon Health Network (OHN ) appreciates the FCC's Wireline Competition Bureau's efforts to obtain the input, insights and recommendations of the Rural Health Care Pilot Programs (RHCPP)as the commission works to assess the effectiveness of the RHCPP, and how it could transition to the primary Rural Health Care Program (RHCP). This document restates and supplements OHN's voiced comments, best practices and overall recommendations for the RHCPP and RHCP transition process as addressed during the conference call last week.

**Best Practice Strategies**
OHN has successfully implemented Oregon's first statewide health care network, bringing on over 240 hospitals, clinics and community college facilities to the network as a result of the FCC RHCPP subsidy.

While there are many direct and indirect factors and efforts that have contributed to the success of the OHN project deployment, there are three core strategies that have proven instrumental to our project's success:

1. *Multi-Vendor Leased Line Network*: The most successful strategy decision in creating OHN's network was to implement a multi-vendor leased line network. For the State of Oregon, this model helped utilize the existing state fiber infrastructure in a competitively bid leased capacity, which in turn reduced overall cost and the concern for overbuilding, expanded the build out and impact of the subsidy investment across the farthest reaches of the state, and shortened the length of time between the initial provider site eligibility vetting stage on through the installation and live/turn-up process. This leased line network granted OHN a lot less administrative burden and overhead vs. owning the actual equipment and fiber connection.

   The legal, engineering, and technical business requirements to own telecommunications equipment and connections within the health care industry, is non-trivial. As a new start-up non-profit that alone shouldered the burden of building Oregon's first statewide health care network, OHN did not have the resources to commit to these significant investment requirements. Therefore, OHN's multi-vendor leased line solution created the highest level of competition possible; allowing smaller local carriers to compete directly and fairly with larger providers, which subsequently resulted in OHN's members receiving the most competitive bids (reduced costs) possible. The leverage of the OHN network has literally changed the telecom landscape in Oregon, particularly but not exclusively, across the health care sector.

2. *Peering at Internet Exchange & Network Operations Center (NOC)*: The next most successful strategy for OHN was requiring that all of our provider participants peer (through their vendors) at the largest internet exchange in Oregon. NWAX (Northwest Access Exchange) created a single point of peering for all the telecom vendors, in order to allow for the traversal of traffic across OHN's statewide network regardless of point of origination and destination. This, in addition to the OHN Network Operations Center (NOC) model that provides 24/7/365 monitoring of these connections, proved central to the core value of participation for the provider community.

   Providing the technical back-bone that bridges together the growing majority of urban and rural providers through a single OHN connection, complete with high service level requirements that best support the current and future broadband dependent health care applications and service delivery models, proved to be a game-changer for health care providers looking to make the jump from siloed health care delivery systems of the past to the future integrated, coordinated and patient centered care models of the future. Integrated service delivery models that are being pushed and incentivized by the Centers for Medicare & Medicaid (CMS) for providers to design and implement. The engineering design and forethought that went into OHN's technical and business model allows for the quick adoption and use of telehealth and health IT administrative applications to run over the network with minimum barriers. The ability to do this effectively, efficiently and affordably is vital to the delivery of healthcare by all health care providers – non-profit and for-profit alike.

3. *Communication & Outreach Strategies & Efforts*: The third most successful strategy for OHN's success was the focus we placed on communications. From the outset, OHN consciously employed sophisticated communication principles, tactics and education at the national and individual provider site level in drawing attention to the known need, thereby generating demand and use of the network to achieve the purpose of the RHCPP and mission of OHN. We have had to become experts in translating and explaining the purpose and the complexities and requirements of participating in the RHCPP.

   However, the greatest communication need was educating sites on the needs and trends of integrated health care delivery, and WHY to participate in a statewide network like OHN's. Helping the technical, clinical, and administrative leaders within each provider participant location learn about why they needed to connect with OHN and how this new network connection would serve them, their patients, their staff, extended community and their students created a deep understanding within the provider's organization about the benefits of integrated health care delivery through OHN. OHN has heard from many other RHCPP's who also shared in the experience of seriously underestimating the sophistication and amount of education and communication that participation in this program would take, and therefore, hadn't originally dedicated appropriate resources/expertise to this effort. For those projects that haven't quickly adapted to this by incorporating (and investing in) their own communications programs and initiatives to lead/support their outreach efforts, many have shared with us that this oversight or lack of resources definitely affected the success of their project.

**Key Benefits**

Statewide, integrated health care networks like OHN and other RHCPP's, are new to the national health care landscape. Networks like these are directly and indirectly changing the health care, workforce, and economic development landscape across the country. In Oregon, our network's providers and the communities they're charged to serve have already experienced a variety of benefits. These include but are not limited to:

A. **Maximization of Existing Broadband Infrastructure**: Through OHN's multi-vendor leased line network model, competitive procurements by OHN have stimulated the deployment of 86.41 miles of new middle-mile connectivity across the farthest reaches of Oregon, and utilized 151.06 miles of existing infrastructure.

B. **Telehealth & Health IT Operational Efficiencies:** The cost savings of being able to diagnosis a patient and keep them in their home area vs. transporting to an urban hospital is huge. Just one hour air transfer costs approximately $24,000 and that is before all of the hospital, physician, nursing, and time off of work for the family members.

**TELEHEALTH PROGRAMS**

- OHN Members Providing Telehealth Services**: 16**
- OHN Members Receiving Telehealth Services: **30**

List of telehealth-related programs:

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|---|---|
| Telestroke | Radiology/PACS/Image Transfer |
| Telepsychiatry | Continued Medical Education |
| Telecardiology | Perinatal/PICU/NICU |
| Teledermitology | |

**OPERATIONAL EFFICICIENCIES**

List of known operational efficiencies that OHN members seek their connection to support:

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| Improved delivery and receipt of xrays/radiology/images |
| Improved connectivity infrastructure to support the meaningful use and exchange of EHR's within their existing facility/system |
| Improved connectivity infrastructure to support the meaningful use and exchange of EHR's outside of their facility/system |
| Reduce redundant connections/costs associated with multiple connections |

OREGON CASE STUDY: The Oregon Department of Corrections (DOC) and Oregon Youth Authority (OYA) are being connected to OHN through the State Data Center, thanks to the FCC RHCPP subsidy. It is estimated that the DOC will benefit from almost $1 million in FCC RHCPP support which will allow the agency to expand their mental health and medical care services, which are in high demand, to their inmate population. The DOC will also be working with OHN to capture further cost savings; specifically through reduced patient transports and the use of telehealth to bring in health care services directly to

the facility. We are looking forward to the subsidy benefits for OYA after the contracting process is complete.

C. **Distance Learning:** A community college or a healthcare provider being able to stream healthcare education classes directly to a student's home or place of work vs. having them have to travel to attend classes is a huge cost savings and also reduces the barrier to education obtainment. OHN and our partners are beginning to capture metrics in this area on which to report on.

D. **Saved/Improved Lives through Improved Coordination of Care:** OHN and our partners have specific stories about patients whose lives were saved due to early diagnosis or treatment in their home area with the use of telemedicine to assist in treatment diagnosis and consultation. OHN's providers are using OHN to support a variety of telehealth initiatives and the meaningful exchange of electronic health records to support an expanding requirement and need for new accountable care organization (ACO) and/or coordinated care organization (CCO) models. Telehealth and integrated coordinated care account are designed to deliver better health care faster and to a broader population base, thereby reducing transport costs and costly long in-patient stays.

E. **Measuring/Reporting:** To ensure maximum protection of confidential patient information, OHN's network model does not allow for access to patient data, but we are looking at ways to work with our membership to obtain and track telemedicine data that relates to the support of the Triple Aim goals of CMS (improve population health, improve the patient experience/outcomes and reduce costs). Additionally, we're looking to document/report upon how networks like OHN contribute to improved health care, workforce and economic development. OHN, and networks like ours, are in the unique position to collect and present new and existing data in a way that makes better sense of the role that better connectivity plays in all these core areas. This will help providers, policy makers and funders better understanding what's working, why it's working, and what to continue to support (funding, best practices and improved policy).

**New Telehealth Applications**

In addition to the known uses of OHN to improve integrated health care delivery by the health care/education providers themselves, OHN has successfully launched its first hosted application; a complete Telehealth Video Conferencing solution (including bridging, scheduling, hardware, support services, leasing and grant writing services) with OneVision and Oregon State University in the Fall of 2011. This is being done independent of subsidies from the RHCPP. To date, OHN and OneVision have done a lot of outreach to our OHN membership. Similar to the original OHN outreach, the need for sophisticated and continuous communication and education on how and why to use video conferencing for telehealth remains extremely high. We have successfully made our video conferencing solutions available to several healthcare systems and have received very high level of interest from many more. Again, OHN led with the theory that we needed to deliver a system that was very complete and "easy button" solution (contained training, installation and maintenance support, high quality/low cost

bridging, and economically efficient) in order to increase adoption and more importantly, affect actual use that leads to improved health care delivery and reduced costs (triple aim goals of CMS).

**Program Administration Experience & Feedback**

OHN has experienced many positive aspects of working with USAC, specifically when we are working with the right person. In those instances we obtain very good communication and courageous collaboration. OHN has also experienced the very real aspects of being a RHCPP awardee with its extremely high administrative requirements that, unfortunately, have changed too frequently and have required a high level of trained staff time and resources dedicated to administrative tools development. Specific to OHN, we've invested greatly in our internal MS Sharepoint system and MS CRM internal systems to manage RHCPP processes and the organization as we transition from RHCPP project deployment on to network use and adoption to serve our mission and the national goals of the FCC and CMS in building a nationwide integrated health care delivery system. Additionally, the vital parallel requirements of a full scale communication and education strategy and plan, complete with public relations activities, a supporting website, newsletters, webinars, sales/marketing outreach staff, as well as deep legal resources, engineering/IT professionals, and a very deep knowledge of the RHCPP and other FCC program policy details are central to what we do every day at OHN – and we're finding – for other projects nationally as well. USAC is not staffed by either telecommunications experts or healthcare delivery experts; therefore and understandably, they often do not know how to apply the actual implementation of a broadband network that supports healthcare/education delivery to the intentions of RHCPP language and needs of the national health care delivery system being redesigned as mandated by other federal agencies including CMS. Despite OHN's continuous advocacy and commitment to help serve the national vision to develop a next generation integrated health care delivery system with a network such as ours, without better/greater federal agency coordination/alignment, true efficiencies and transformation in health care delivery cannot be fully realized.

USAC has been reasonably efficient with working with OHN throughout our 16 different RFP rounds in the competitive bidding and administration process. Competitive bidding rules align well with typical telecommunications bidding rules and norms.

USAC has also been committed to dispersing funds once certified invoices have been filed. However, the extremely high level of mandatory administrative rules, i.e. 466A package and invoicing that have tended to change on a regular basis, often drags the pilot projects down with extensive paperwork that chokes the success and purpose of the RHCPP. OHN has met with many other RHCPP projects who simply did not understand the sheer volume, paperwork, and detail that USAC requires for every single invoice every single month – and which has changed regularly over a 3 year period of time. USAC has not allowed for a history file to be built for specific service sites, resulting in a project having to re-answer the same question in written form every month. This is an example of bureaucratic redundancy that imposes administrative costs on the projects, leads to project fatigue, delay and possible failure. Due to OHN's high level of knowledge about both the letter and intent of the RHCPP, we have taken a path of partnership with USAC, raising appropriate questions regarding new administrative requirements, and working with USAC to make adjustments and considerations that achieve USAC's program integrity objectives while benefitting the greater whole (the FCC, USAC and all the RHCPP's).

It can't be emphasized enough, the complexity and real costs required to design and run integrated health care networks, specifically as it relates to the RHCPP and the design of any new FCC programs that need to be designed to support them. The realities of doing so are a journey not for the faint of heart, or the underfunded. The administrative and communication requirements are enormous and require a staff that has high-end marketing, communications, legal, healthcare, finance, policy, and IT knowledge. Additionally, it requires a proven ability to engage and earn the trust of many diverse audiences (sometimes direct competitors) to make courageous decisions in uncharted waters. Data tracking, reporting and measurement will also become central deliverable and a leading value and benefit that broadband supported networks like these have in supporting the next generation of health care delivery, economic and workforce development.

While auditing is a critical and essential post-disbursements process, USAC needs to streamline its pre-commitment and pre-disbursement administrative policies, procedures, processes. In this way USAC can better serve the shared vision to support the health care delivery transformation taking place at a national level verses just viewing their role as purely an administrative auditor. This national "remodel" of the health care delivery system requires efficiency and flexibility to support the innovation required to serve CMS's Triple Aim goals. Health care providers of all shapes and sizes are in trouble, and are being asked to rebuild the entire national health care delivery system over the course of a 5 year period – and need the support and flexibility of programs like the RHCPP and RHCP to support vs. undermine their efforts and investments. Otherwise the best policies in the world will not actually be adopted and used at the forecasted level.

It is also our recommendation that the FCC should continue to invest in the RHCPP's (and the providers who are part of their networks) that have not only met, but exceeded the initial goals and intent of this RHCPP to support the next generation of integrated, patient centered care. Already, the results of these investments are being experienced at a patient level, but more work, best practices and investments need to take place to make sure that initial investments on the part of these projects and the health care providers who have joined them, was not in vain.

Right now in Oregon, as a result of these RHCPP dollars, a mother and child can (and have) literally enter Columbia Memorial Hospital in Astoria Oregon, and have access to the best stroke and Peds/Nicu/Picu specialists at Oregon Health & Sciences University in Portland through telehealth applications and services to get the highest level of care in the community in which they live. This is one of a growing number of examples that OHN and its members across the state are working to implement and expand upon to improve the quality, delivery and access of care across the state as a result of the initial start up investment of the FCC RHCPP.

OHN would be very open to working with USAC and the FCC to suggest streamlined administrative processes that allow for high level assurance of reduced waste, fraud and abuse while supporting the actual delivery of services vs. administrative inertia.

**Program Highlights & Transition Recommendations**

The inclusion of urban institutions onto a statewide, integrated network is not only invaluable, it's central to the value and success of OHN to date – and for that matter – any successful health care network such as OHN's. Therefore the inclusion of subsidy for urban providers is critical to supporting

integrated health care delivery. Without the urban centers of excellence on and actively using the network connection, there is no value to the rural/frontier providers to connect – as they are looking for improved access to urban specialists and resources to augment their dwindling clinical and operational resources. In Oregon, we have 1 University hospital which provides much of the specialty care to rural facilities which is located in Portland (urban area) and 2 Pediatric hospitals, again both located in Portland. It is imperative that we have the urban hospitals on the network in order for the rural hospitals to connect, share patient information over a variety of mediums, and do so with 1 connection to OHN vs. having to pay for and maintain multiple VPN connections to various hospitals/clinics.

As the FCC works to transition the best of the RHCPP on to the primary RHCP, it is our recommendation that based upon the FCC's significant investment in all the RHCPP's, that the commission consider leveraging the role of the RHCPP further, by having these RHCPP networks play a more central and supporting role of the RHCP after the RHCPP ends, due to and based upon their existing and trusted relationships with their membership community. This would best be done through supporting consortium network programs and policies. The technical education, customer service, billing, installation and monthly delivery to the healthcare provider take a lot of project, provider and vendor time and expertise. In Oregon we have many healthcare institutions that do not have a knowledgeable IT staff to support them in all phases of selection, installation and use of these connections. Their experience and skill set is limited. Installing broadband connections that require internal traffic to be moved over onto the OHN connection and from their healthcare applications, require many hours of conversation, education, meetings, designs, and expertise in order to make the transition happen. We cannot stress enough that building a statewide network is all new and the need for best practices, communication, professional input, time, and assistance at the provider level is huge. And it all requires proper funding, resources, improved policy and an entirely new level of expertise to develop and manage them.

While lessons have indeed been learned, and obstacles still exist, great innovation and accomplishments have occurred and momentum developed as a result of the RHCPP. The FCC RHCPP has literally reshaped the Oregon landscape from the health care, economic and workforce development perspective. It has funded the deployment of Oregon's first statewide health care network that never would have been without the subsidy, and which has been deployed "just in time" to support the expanded health care reform being rolled out across multiple federal and state agencies.

cc Marlene H. Dortch, Secretary
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